## **REMARKS**

Claims 1-2, 4, 6-14, 16, 18-26, 28, and 30-36 will be pending upon entry of the present amendment. Claims 1, 4, 13, 16, 25, 28, 33, and 36 are being amended. Claims 3, 5, 15, 17, 27, and 29 are being canceled.

The applicants appreciate the indication that claims 5, 17, and 29 are directed to allowable subject matter. Independent claims 1, 13, and 25 are being amended to include elements of claims 5, 17, and 29, respectively. The applicants have not added to claims 1, 13, and 25 all of the limitations of claims 4, 16, and 28 because the applicants submit that the limitations of claims 4, 16, and 28 that were not added to claims 1, 13, and 25 are not necessary to impart patentability to amended claims 1, 13, and 25, as discussed below.

Claims 1-4, 11-16, 23-28, and 35-36 were rejected under 35 U.S.C. § 102 as being anticipated by U.S. Patent No. 5,926,573 to Kim.

Kim does not disclose the invention recited in amended claim 1. As recognized by the Examiner in indicating the allowability of claim 5, Kim does not disclose a method that includes a transformation that correlates motion vectors associated with an input data stream to a given number of motion vectors associated with at least one of the macroblocks associated with the input bitstream in which the transformation includes:

multiplying said motion vectors by respective weighting factors; accumulating the results of the above multiplication; and dividing the results accumulated by the sum of said weighting factors.

Kim's failure to disclose such a transformation is not affected by the language of claim 4 reciting that the at least one macroblock is from a set made up of: 1) macroblocks that are to be merged into a new macroblock; and 2) macroblocks that surround the ones that are to be merged into the new macroblock. In other words, Kim does not disclose the multiplying, accumulating, and dividing steps of amended claim 1 on any motion vectors, regardless of whether the motion vectors are correlated with motion vections of a macroblock described in claim 1. Accordingly, amended claim 1 is not anticipated by Kim.

Claims 2, 4, and 6-12 depend on claim 1, and thus, are also not anticipated by Kim.

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Although the language of claims 13-14, 16, 18-26, 28, and 30-36 are not identical to that of claim 1, the allowability of those claims will be apparent in view of the above discussion of claim 1.

The Director is authorized to charge any additional fees due by way of this Amendment, or credit any overpayment, to our Deposit Account No. 19-1090.

All of the claims remaining in the application are now clearly allowable. Favorable consideration and a Notice of Allowance are earnestly solicited.

Respectfully submitted,

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